

**NIH Supervisory Guidance
Closing Out and Establishing
Employee Performance Appraisals (Plans)
January 2005**

COVERAGE

PERFORMANCE APPRAISALS will be used for NIH employees who are not placed on performance contracts. This includes most non-supervisory employees, e.g., Budget Analyst GS-9; Administrative Assistant, GS-6, etc. Also, it includes supervisors of employees who are promoted in one-grade interval increments.

CLOSE-OUT

NIH managers and supervisors should finalize performance rating cycles, as in the past. Managers must indicate the assigned ratings beside performance elements/standards, and indicate the summary rating on the appraisal (plan) cover sheet. They should schedule and conduct face-to-face discussions with employees about their work accomplishments and the basis for the rating. Employees will receive the original performance plans, and copies will be maintained for administrative records.

The Workforce Relations Division, OHR should be contacted immediately if there are performance problems and it appears an employee has one or more critical elements that would be rated below the Acceptable level. Additional written feedback must be provided by supervisors, in this case, and remedial action may be required.

ESTABLISHING NEW PERFORMANCE APPRAISALS (PLANS)

Managers should establish new performance appraisals (plans) for the new calendar year which meet the following requirements:

1. **Inclusion of Measures:** All critical elements must be measurable (this means the *Acceptable* standard for each element is written with reference to timeliness; quality; quantity; customer satisfaction criteria; cost-effectiveness, or other measures);
2. **Cascading Supervisory Work:** Supervisors should explain the connection between the work performed by the employee, and the work described in the outputs or critical elements of higher-ranking supervisors in the chain of command. Employee critical elements should align with (support) supervisory work.
3. **Cascading Program Objectives:** The critical elements should bear a relationship (even if it's indirect) to one or more of the five NIH program objectives (End outcomes, from Dr. Zerhouni's contract):

NIH Program Objectives

- Emphasize preventive health measures (Preventing Disease and Illness)
- Prepare for and effectively respond to bio-terrorism and other public health emergencies (Protecting our Homeland)
- Improve health outcomes (Preventing Disease and Illness)

- Improve the quality of health care (21st Century Health Care)
- Advance science and medical research (Improving Health Science)

The NIH objectives are taken from numbers 3, 4, 5, 6 and 7 from the full list of the revised "One-HHS" Program Objectives. All work performed at NIH should support or "cascade" from the broad NIH (and ultimately "One-HHS") broad objectives; and

- 4. Review of Management Objectives (Initiatives):** Supervisors should review the revised "One-HHS" Ten Management Objectives to see if they relate to the employee's assignment. If so, there will probably be one or more critical elements in the performance appraisal that reflect aspects of those objectives. **Most employees who are assigned to performance appraisals (plans) will have few or no pertinent management objectives; typically they refer to management responsibilities that would be inherent to leadership positions.**

Additional critical element:

Review the attached guidance, [Reducing and Recovering Improper Payments](#), and determine if this responsibility should be incorporated in the employee performance appraisal.

Forms:

ICs may use the appraisal forms located in: <http://hr.od.nih.gov/PerfMgmt/SES/HHSCoverSheet.doc>, attachments L and M.